



STATE OF WASHINGTON

ENERGY FACILITY SITE EVALUATION COUNCIL

PO Box 43172 • Olympia, Washington 98504-3172

March 14, 2006 Monthly Meeting Minutes

**1. CALL TO ORDER**

Chair Jim Luce called the March 14, 2006 monthly meeting to order at 925 Plum Street S.E., Building 4, Room 308, at 1:30 p.m.

**2. ROLL CALL**

**Council members present were:**

Dick Fryhling	Community, Trade & Economic Development
Hedia Adelsman (excused)	Department of Ecology
Chris Towne	Department of Fish and Wildlife
Judy Wilson	Department of Natural Resources
Tim Sweeney	Utilities and Transportation Commission
Jim Luce	Chair
Patti Johnson (via phone)	Kittitas County Representative

**Staff in attendance were:**

Allen Fiksdal – EFSEC Manager, Mike Mills – Compliance Manager, Irina Makarow – Siting Manager, Tammy Talburt – Office Assistant

**Guests in attendance were:**

Mot Hedges & Doug Culver – Energy Northwest, Gary Sprague – Washington Department of Fish & Wildlife, Joe Long – Grays Harbor Energy, Mike Tribble – Counsel for the Environment

**Guests attending via phone:**

James Hurson – Kittitas County, Ed Garrett – Residents Opposed to Kittitas Turbines, Scott Williams – Puget Sound Energy, Darrel Peeples – Horizon Wind Energy.

**3. ADOPTION OF PROPOSED AGENDA**

The agenda was presented to the Council for amendments or additions. The agenda was adopted as proposed.

#### 4. MINUTES

Staff presented the following minutes for approval: February 14, 2006 monthly meeting and February 2, 2006 special meeting.

**MOTION: Council member Chris Towne moved to accept each set of minutes. Council member Judy Wilson seconded the motion. Council voted to approve the minutes. The motions passed unanimously.**

#### 5. PROJECT UPDATES

##### COLUMBIA GENERATING STATION

<i>Operations Summary</i>	<i>Mot Hedges, Energy Northwest</i>
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Mr. Hedges reported that Columbia is operating at 100 % power.

<i>Emergency Preparedness</i>	<i>Mike Mills, EFSEC Staff</i>
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Mr. Mills reported that staff had completed negotiations with the Military Department / Emergency Management Division (EMD) and the six counties that support the Columbia emergency preparedness (EP) plan and was prepared to recommend proposed funding levels for FY 2007. EMD serves as the lead planning agency for the offsite agency and through its contract with EFSEC, subcontracts with the following six Washington counties located in the 10 and 50 mile planning zones – Adams, Benton, Franklin, Grant, Walla Walla and Yakima. It was noted that EMD and the counties submitted proposals for FY 2007 that were consistent with the base-line funding estimates that the Council set out in Resolution No. 311 for the next four-year budget cycle – fiscal years 2006 – 2009, with staff being held at current FTE levels, with mandated salary and cost-of-living allowance (COLA) increases being recognized.

Staff recommends that the Council approve a contract with the Military Department / EMD, to include funding for the six counties that support Columbia-related EP activities, for FY 2007 in the amount not to exceed \$694,666.

**MOTION: Council member Chris Towne moved that Council approve the Military / EMD contract renewal of the FY 2007 as presented. Council member Dick Fryhling seconded the motion. Council voted to approve the motion. The motion passed unanimously.**

<i>NPDES Permit Renewal</i>	<i>Mike Mills, EFSEC Staff</i>
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Mr. Mills stated that the review of the draft Columbia National Pollutant Discharge Elimination System (NPDES) permit and fact sheet by Energy Northwest and EFSEC staff is nearly completed and the documents will be issued for a 30-day public comment period next week. The comment period will close the end of April and persons may submit written or e-mail comments or request to speak at a May 9 public hearing. Following the close of the comment period and after the public hearing, the Council may take final action on the permit at its May 9 regular meeting or at a later time.

## **WNP-1**

<b><i>Site Restoration</i></b>	<b><i>Mot Hedges, Energy Northwest</i></b>
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Mr. Hedges reported that by letter dated January 16, 2006, Energy Northwest had notified the Council that they had completed all of the near-term health, safety and environmental restoration activities at WNP-1/4 as required by EFSEC Resolution No. 302. Their letter requests that EFSEC acknowledge that the near-term site restoration requirements for WNP-1/4 specified in the resolution have been met. Mr. Hedges stated that Mr. Mills, EFSEC staff, and Jeff Ayres, from the Department of Ecology, conducted an inspection of the 1/4 site in December 2005.

Mr. Doug Culver, 1/4 site manager, presented an overview of the site restoration activities completed by Energy Northwest at the 1/4 site. Mr. Culver stated that when restoration work began there were 428 structures, now only 32 remain. Energy Northwest will maintain those facilities as they examine industrial development opportunities at the site. Reuse activities currently being examined include: a regional water plant, a pilot biofuel project, and an energy storage project. Mr. Hedges added that Mr. Culver is conducting an asset recovery program where scrap metal and plant components will be sold. In response to questions on the type of equipment being salvaged, Mr. Culver responded that there have been contracts let to remove equipment, including several with utility districts for electrical components. Larger pieces sold include diesel generators and condenser tubes. He noted that these items typically sell for about 25 cents on the dollar.

Mr. Culver then reviewed a series of pictures showing the before and after status of facilities at 1/4. Chair Luce commented that the work looked great and it was the Council's understanding that a number of final restoration activities had also been completed during the past two years. Mr. Culver confirmed that the work went beyond just the near-term requirements, thereby reducing the amount of final restoration activities that are to be completed by 2026.

The Council directed staff to develop the appropriate regulatory document to acknowledge that Energy Northwest has completed the near-term site restoration requirements at WNP-1/4, thereby satisfying the near-term conditions of Resolution No. 302. Following that action, the Council, in cooperation with Energy Northwest, will proceed to amend the WNP-1/4 Site Certification Agreement to recognize the status of the projects and remaining restoration requirements.

## **WILD HORSE WIND POWER PROJECT**

<b><i>Update on Construction Activities</i></b>	<b><i>Irina Makarow, EFSEC Staff</i></b>
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Ms. Makarow reported that construction is proceeding as planned. A front page story run in the Ellensburg Daily Record was circulated to the Council members – it featured a picture of a completed turbine foundation. Puget Sound Energy (PSE) and its subcontractors are working with EFSEC's Washington Department of Fish & Wildlife (WDFW) contractor to finalize access parameters for the recently re-aligned transmission/feeder line section. Ground conditions are beginning to dry out, allowing construction of this portion of the line to begin.

Finally, PSE has submitted proposed rules of procedures for the Wild Horse Technical Advisory Committee (TAC). EFSEC staff have invited potential members to participate in the TAC, and the final list of participants will be brought to the Council for approval at either the Council's April or May meeting.

## KITTITAS VALLEY WIND POWER PROJECT

<i>Update on Re-scheduling of Adjudicative Hearings</i>	<i>Irina Makarow, EFSEC Staff</i>
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Ms. Makarow reported, for the record, that the adjudicative hearings in this matter had been re-scheduled for the month of August, 2006. Council members and parties to the hearing were being contacted regarding their availability to schedule a pre-hearing conference in late April.

## SATSOP COMBUSTION TURBINE (CT) PROJECT

<i>PSD Permit Extension</i>	<i>Irina Makarow, Staff</i>
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The purpose of this action was for the Council to review and act upon a proposed final approval of the extension of the Satsop CT Notice of Construction/Prevention of Significant Deterioration (NOC/PSD) permit. Ms. Makarow presented the Responsiveness Summary for this permit action to the Council members. Ms. Makarow reviewed the procedural background surrounding the issuance of a draft Satsop CT NOC/PSD permit extension for public comment. A single written comment letter was received from Grays Harbor County supporting extension of the permit. No changes were required to the permit approval as a result of this comment. Finally, the Responsiveness Summary summarized editorial corrections made from the draft to final version of the permit. EFSEC staff recommended that the Council approve the final permit extension.

**MOTION: Council member Judy Wilson moved that Council approve the extension of the Satsop CT NOC/PSD Permit, No. 2001-01, Amendment 3. Council member Dick Fryhling seconded the motion. Council voted to approve the motion. The motion passed unanimously.**

## 6. OTHER

<i>EFSEC Air Rules</i>	<i>Irina Makarow, Staff</i>
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Ms. Makarow reported that the final approval of changes to WAC 463-78 was filed with the Code Reviser's office. These changes would become effective on March 26, 2006. Council member Towne inquired as to when the next round of Ecology rule changes was expected to be finalized. Ms. Makarow responded that it would be in the next twelve to eighteen months.

<i>Legislation</i>	<i>Jim Luce, Chair</i>
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Chair Luce noted that the two bills directly related to EFSEC this session SHB 2402 – Expedited Processing and EHSHB 1020 – Transmission Siting, have both passed the Legislature and have moved on to the governor's desk for signing. Also, the Supplemental budget includes \$25,000 in state general funds for EFSEC to conduct its Carbon Dioxide rule making. Council member Chris Towne state that she was glad to see that Growth Management Act language was finally added to the land use related sections of EFSEC's statute.

## 7. ADJOURN

The meeting was adjourned by Chair Jim Luce at 2:01 pm.